

UNITED STATES DISTRICT COURT

SOUTHERN DISTRICT OF TEXAS

TEXAS GUARANTEED STUDENT
LOAN CORPORATION,

Plaintiff,

versus

BECAUSE EDUCATION MATTERS, INC.,

Defendant.

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CIVIL ACTION H-06-2602

Opinion on Default Judgment

Texas Guaranteed Student Loan Corporation guarantees federal student loans. Federal law gives it the power to garnish the wages of defaulted debtors. Texas garnished the wages of a debtor employed by Because Education Matters, Inc., but the company did not comply with the garnishment.

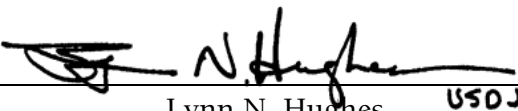
Texas sued Education in August of 2006. By late October of 2006, Education had not answered the suit, so the court ordered a default entered against it. Texas applied for a judgment on the default in late November. Finally on December, Education answered the lawsuit and responded to the motion for default judgment.

Education's answer was due in September, not December. It does not explain why it did not timely respond. The answer offers no facts to support its assertion that Texas is not entitled to the money.

The response to the motion for default simply states that the amount is in dispute. It fails to show it made a mistake or that its neglect in answering is somehow justified.

Through affidavits, Texas has shown that it is entitled to \$9,013.82 in wages that should have been withheld, \$832.50 in attorney's fees, and \$430.00 in court costs. Judgment will be entered in this amount in its favor.

Signed on February 28, 2007, at Houston, Texas.


Lynn N. Hughes
United States District Judge